



Attorney Docket No. 12491-002
(formerly 31363.003)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Title: METHOD AND SYSTEM FOR
MANAGING MULTI-JURISDICTIONAL
PROPERTY TAX INFORMATION

Inventor: Nearhood, et al.

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Examiner: Michael A. Cuff

Group Art Unit: 3627

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Commissioner for Patents
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DECLARATION UNDER 37 C.F.R. § 1.132

I, Cecilia Benites, state that:

1. I am the Director of Property Tax Research & Content for ePropertyTax, Inc., of Scottsdale, Arizona ("ePropertyTax"). In my position, I manage the staff that researches all of the state and local property tax rules, procedures and forms throughout the United States and Canada. I also manage the input of that research into ePropertyTax's system for managing state and local property tax content. I have over 25 years of professional property tax experience. I was formerly a Maricopa County Assessor Property Appraiser, an Appraiser of centrally valued properties for the Arizona Department of Revenue, and have held several positions in property tax management in the private sector, including positions at F.W. Woolworth Co., AT&T, and Lucent Technologies.

2. I have a Bachelor of Arts degree from Alverno College and a Master in Business Administration degree from Fairleigh Dickinson University. I am a member of the Institute for Professionals in Taxation (IPT) and the International Association of Assessing Officers (IAAO) where I served on and chaired various committees, and I have been a speaker/panelist, and an instructor at IPT's Property Tax School. I hold the IPT CMI designation (Certified Member of

the Institute) and received IPT's Distinguished Service Award in 1994. The CMI designation is the highest designation offered to property tax professionals by IPT, and requires designees to complete extensive educational and testing requirements along with five or more years of property tax experience.

3. IPT is the leading professional organization for the advancement of property tax practitioners. IPT publishes Property Taxation, Third Edition (Copyright 2004)[hereinafter "Property Taxation"], which on information and belief is the most complete non-government sponsored treatise on property taxation in the United States. I am a contributing author and a member of the Text Book Committee to Property Taxation.

4. I am familiar with terminology commonly used in connection with state and local property tax rules and procedures in the United States, including the terms "property tax jurisdiction" and "property tax district." As I explain further below, it is my opinion that it is well understood by those of ordinary skill in property tax rules and procedures that there is a distinction between a property tax jurisdiction and a property tax district.

5. Attached to this Declaration as Exhibit A are pages from a section of Property Taxation that I reviewed and approved as a member of the Text Book Committee, which provide a description of and distinguish the following three separate "key players of local governmental administration": (i) the "Assessor;" (ii) the "Tax Collector and Treasurer;" and (iii) the "Appropriating Body." Property Taxation, at pp. 32-33. The Assessor and Tax Collector and Treasurer are known as and referred to as property tax jurisdictions, whereas the Appropriating Body is known as and referred to as a property tax district.

6. As discussed in Property Taxation, the functions of the Assessor and the Treasurer and Collector are separate governmental entities with functions that are separated by necessity. As stated in Property Taxation: "The responsibility of the assessor is the assignment of a fair and equitable assessment to each tax parcel. It is also the obligation of the assessor to ensure exemptions are properly administered and to hear appeals of assessments." Property Taxation, at p. 32. As further explained in Property Taxation, the Treasurer and the Collector have a separate function from the Assessor:

Once the tax rate is set, the tax collector is charged with issuance of the tax bills and the collection of the taxes. This position can be elected, but it is more often appointed. The position is often combined with the treasurer function. It is important to note that the task of tax collection is separate and distinct from the

assessor. The separation of responsibility is often a source of annoyance to the public as they can bounce between offices while researching a tax issue. The separation of functions is critical to avoid any collusion of assessment and collection. Further, this separation of function is one of the hallmarks of our system of government.

Property Taxation, at p. 33.

7. The Appropriating Body is a third governmental entity that is separate from and has a different function than the Assessor and the Treasurer and Collector. The Appropriating Body is typically a city or town council, and creates the appropriation, sets the budget, and establishes the tax rate. As explained in Property Taxation: “It is in this legislative forum that the appropriation of funds takes place. Once the appropriation is voted, the budget is set and the tax rate is established to be applied to the assessor’s tax levy and the tax bills are issued by the tax collector. The city or town council may serve this function.” Property Taxation, at p. 33. Property tax districts generally serve the purpose of appropriating funds for local governmental services such as school districts, fire districts, police districts and street improvement districts.

8. Of the three separate governmental authorities involved in local government administration (i.e., the “Assessor,” the “Tax Collector and Treasurer” and the “Appropriating Body”), only the Assessor and Treasurer are recognized as having “jurisdictional” authority. Thus, in common property tax terminology the governmental authority of Assessors and Collectors and Treasurers is referred to as “jurisdictions” while the territorial boundaries of tax appropriating bodies are referred to as “districts.” In Property Taxation, I discuss the authority of the Assessor and Treasurer using common property tax terminology as follows.

Jurisdictional Property Tax Sites

Perhaps the most helpful and most frequently used internet sites for property tax compliance are the official websites of jurisdictional assessors and property tax collectors. These sites usually contain important jurisdictional information such as phone numbers, addresses, due dates, deadlines, policies, procedures and more. But many websites go far beyond this general information, and provide parcel specific information. Some jurisdictions offer assessment and property tax data, while others have much more detail. Parcel maps, property tax distribution, payment history and assessment cards are just part of the wealth of information provided online by local jurisdictions. Some jurisdictions have taken their sites one step further and added business services like online property tax bill payment. (Emphasis added).

Property Taxation, at p. 50.

9. I have reviewed the Office Action, dated March 7, 2005, relating to Patent Application No. 09/812,305 and the Oklahoma County Assessor's website <http://www.oklahomacounty.org/assessor/TaxCalculator.htm>, which is referenced in that Office Action. On information and belief, I understand that Patent Application No. 09/812,305 is directed to ePropertyTax's method and system for managing multi-jurisdictional property tax information.


10. The Office Action points out that the Oklahoma County Assessor's web site shows that "rates vary across the county depending on which school district the property is located (different tax rules/templates)." Office Action at p. 2. As reflected by the Oklahoma County web site (as well as numerous other Assessor web sites), the word "district" is consistently used to describe the local tax rate district (i.e. the territory). The word "district" is commonly not used to refer to an assessor, treasurer or collector.

11. The Oklahoma County Assessor Estimated Tax Calculator is a very simple calculator that uses one formula to "estimate" taxes for taxpayers. The Estimated Tax Calculator follows this one tax calculation formula to provide this estimate for all of the property under the jurisdiction of the Oklahoma County Assessor because the Oklahoma County Assessor follows only one tax calculation formula. Even though tax district rates vary across the tax districts in Oklahoma County, the Oklahoma County Assessor has only one tax calculation formula that he or she follows for computing property taxes.

12. The Oklahoma County Assessor's website does not process property tax information for many taxing jurisdictions each of which may have a different set of tax rules. In contrast to the Oklahoma County Estimated Tax Calculator, ePropertyTax's system can calculate the amount of taxes payable on a parcel of property located within any Assessor's jurisdiction, anywhere in the United States.

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under 18 U.S.C. § 1001, and that such willful false statements may jeopardize the validity of the application, any patent issuing thereon, or any patent to which this declaration is directed.

Dated this 5th day of July, 2005, at Phoenix, Arizona.

By: 
Cecilia Benites

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Date of Deposit July 5, 2005

I hereby certify that this paper and all documents and any fee referred to herein are being deposited on the date indicated above with the U.S. Postal Service "Express Mail Post Office to Addressee" service under 37 C.F.R. § 1.10, postage prepaid and addressed to Mail Stop ~~Amendment~~, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.


Louis A. Loffredo, Paralegal


Date of Signature